#### SECOND REGULAR SESSION

# **HOUSE BILL NO. 1922**

## 91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES GREEN (73), HANAWAY, O'TOOLE, McKENNA, WAGNER, ST. ONGE, BEARDEN, DEMPSEY (Co-sponsors), FOLEY, ABEL, SHELTON, OSTMANN, HENDRICKSON, CARNAHAN, HICKEY, HILGEMANN, GREEN (15), SECREST, THOMPSON, PORTWOOD, ENZ, FROELKER, MURPHY, GRIESHEIMER, DOLAN, FARES, HOLLINGSWORTH, GAMBARO, FRASER, JOHNSON (90), VILLA, GEORGE, BARRY, HAYWOOD, LIESE, BYRD, SCHEVE, CUNNINGHAM AND BOWMAN.

Read 1st time February 13, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3975L.01I

# **AN ACT**

To amend chapter 238, RSMo, by adding thereto twenty-seven new sections relating to regional transportation development districts.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 238, RSMo, is amended by adding thereto twenty-seven new

- 2 sections, to be known as sections 238.500, 238.502, 238.504, 238.506, 238.508, 238.510,
- 3 238.512, 238.514, 238.516, 238.518, 238.520, 238.522, 238.524, 238.526, 238.528, 238.530,
- 4 238.532, 238.534, 238.536, 238.538, 238.540, 238.542, 238.544, 238.546, 238.548, 238.550, and
- 5 238.552, to read as follows:

238.500. Sections 238.500 to 238.552 shall be known as the "Missouri Regional

2 Transportation Development District Act".

238.502. 1. As used in sections 238.500 to 238.552, the following terms mean:

- 2 (1) "Board", the board of directors of a district;
- 3 (2) "Commission", the Missouri state highways and transportation commission;
- 4 (3) "District", a regional transportation development district organized pursuant 5 to sections 238.500 to 238.552;
- (4) "Local transportation authority", a county, city, village, county highway commission, special road district, interstate compact agency, or any local public authority or political subdivision having jurisdiction over any bridge, street, highway, dock, wharf,
- ferry, lake, or river port, airport, railroad, light rail, or other transit improvement or
- 10 service;

- 11 (5) "Project" includes construction, renovation, preservation, operation, or 12 maintenance of any bridge, street, road, highway, access road, interchange, intersection, 13 signing, signalization, parking lot, bike, or pedestrian improvement, bus stop, station, 14 garage, terminal, hangar, shelter, rest area, dock, wharf, lake, or river port, airport, 15 railroad, light rail, or other mass transit and any similar or related improvement or 16 infrastructure.
- 2. For the purposes of article X, sections 11(c), 16, and 22 of the Constitution of Missouri, section 137.073, RSMo, and as used in sections 238.500 to 238.552, the following terms shall have the meanings given:
- 20 (1) "Approval of the required majority" or "direct voter approval", a simple 21 majority;
- 22 (2) "Registered voters", persons qualified and registered to vote pursuant to chapter 115, RSMo.
  - 238.504. 1. A district may be created to fund, promote, plan, design, construct, improve, maintain, and operate one or more projects or to assist in such activity.
- 3 **2.** A district is a political subdivision of the state.
- 238.506. 1. Whenever the creation of a district is desired, not less than fifty registered voters from a county or city not within a county may file a petition requesting the creation of a district. The petition shall be filed in the circuit court of any county or city not within a county within the proposed district.
  - 2. Alternatively, the governing body of any county or city not within a county may pass a petition allowing voters to decide upon creation of a district. The petition shall be filed in the circuit court of any county or city not within a county within the proposed district.
  - 3. The proposed district area shall be contiguous and may contain one or more counties and a city not within a county. Property separated only by public streets shall be considered contiguous.
- 12 **4.** The petition shall set forth:

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- (1) The name, voting residence, and county of residence of each individual petitioner, or shall recite that the petitioner is the governing body of that city or county acting in its official capacity;
- 16 (2) A specific description of the proposed district boundaries including a map 17 illustrating such boundaries;
- 18 (3) A general description of the transportation projects proposed to be undertaken 19 by that district;
- 20 (4) The name of the proposed district;

- 21 (5) The number of members of the board of directors of the proposed district, 22 which shall be three from each county or city not within a county within the proposed 23 district:
  - (6) A statement that the terms of office of initial board members shall be staggered to expire in two, four, and six years;
  - (7) If the petition was filed by registered voters or by a governing body, a request that the question be submitted to the qualified voters residing within the limits of the proposed district whether they will establish a regional transportation development district for funding transportation projects;
  - (8) A proposal for funding the district initially, pursuant to the authority granted in sections 238.500 to 238.552, together with a request that the funding proposal be submitted to the qualified voters residing within the limits of the proposed district.

238.508. 1. If the petition was filed by registered voters or by a governing body, the circuit clerk in whose office the petition was filed shall give notice to the public by causing one or more newspapers of general circulation serving the counties or portions thereof contained in the proposed district to publish once a week for four consecutive weeks a notice substantially in the following form:

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# NOTICE OF PETITION TO SUBMIT TO A POPULAR VOTE THE CREATION **AND**

## FUNDING OF A REGIONAL TRANSPORTATION DEVELOPMENT DISTRICT

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Notice is hereby given to all persons residing in (here specifically describe the proposed district boundaries), within the state of Missouri, that a petition has been filed asking that upon voter approval, a regional transportation development district by the name of "......... Regional Transportation Development District" be formed for the purpose of funding the transportation projects. A copy of this petition is on file and available at the office of the clerk of the circuit court of .... County, located at ....... Missouri. You are notified to 16 join in or file your own petition supporting or answer opposing the creation of the regional transportation development district and requesting a declaratory judgment, as required 20 why such petition is defective or proposed regional transportation development district or its funding method, as set forth in the petition, is illegal or unconstitutional and should not be submitted for voter approval at a general, primary, or special election as directed by this court.

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25 ...... Clerk of the Circuit Court of ...... County.

- 2. The circuit clerk shall also submit the same notice to the commission.
- 3. The circuit court may also order a public hearing on the question of the creation of the proposed district, if it deems such appropriate, under such terms and conditions as it deems appropriate. If a public hearing is ordered, notice of the time, date, and place of the hearing shall also be given in the notice specified in this section
  - 238.510. 1. If the circuit court certifies the petition for voter approval, it shall call an election pursuant to section 238.512.
  - 2. At such election for voter approval of the qualified voters, the questions shall be submitted in substantially the following form:

Shall there be organized in (here specifically describe the proposed district boundaries), within the state of Missouri, a regional transportation development district, to be known as the "............. Regional Transportation Development District" for the purpose of funding transportation projects and to have the power to fund the proposed projects upon voter approval by any or all of the following methods: sales tax, tolls, and bonds?

- 3. The results of the election shall be entered upon the records of the circuit court of the county or city not within a county in which the petition was filed. Also, a certified copy thereof shall be filed with the clerk of each county or city not within a county of the proposed district, who shall cause the same to be spread upon the records of the county commission or the city not within a county. If the results show that a majority of the votes cast by the qualified voters were in favor of organizing the regional transportation development district, the circuit court having jurisdiction of the matter shall declare the district organized. If the results show that less than a majority of the votes cast by the qualified voters were in favor of the organization of the district, the circuit court shall declare that the question has failed to pass, and the same question shall not be again submitted for voter approval for two years.
- 238.512. 1. Except as otherwise provided in section 238.516 with respect to the election of directors, in order to call any election required or allowed in sections 238.500 to 238.552, the circuit court shall order the clerk to cause the questions to appear on the ballot on the next regularly scheduled municipal, or state general, primary, or special election day, which date shall be the same in each county or city not within a county included within and voting upon the proposed district.
- 2. The results of the election shall be entered upon the records of the circuit court of the county in which the petition was filed. Also, a certified copy thereof shall be filed with the clerk of each county and city not within a county of the proposed district, who

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shall cause the same to be spread upon the records of the county commission and the city 11 not within a county.

238.514. The costs of filing and defending the petition and all publication and incidental costs incurred in obtaining circuit court certification of the petition for voter approval shall be paid by the petitioners. If a district is organized pursuant to sections 4 238.500 to 238.552, the petitioners may be reimbursed for such costs out of the revenues 5 received by the district.

238.516. 1. At the time of the organizing election, three directors from each county or city not within a county shall be elected.

- 2. Candidates shall pay the sum of fifty dollars as a filing fee to the clerk of the 4 county or city not within a county and shall file with the election authority of such county or city not within a county a statement under oath that the candidate possesses all of the qualifications set out in this section for a director. Thereafter, such candidate shall have the candidate's name placed on the ballot as a candidate for director.
- 3. The director or directors to be elected shall be elected at large within the county or city not within a county. The candidate receiving the most votes from qualified voters 10 shall be elected to the position having the six-year term, the second highest total votes elected to the position having the four-year term, and the third highest total votes elected 11 12 to the position having a two-year term. Each initial director shall serve the term to which 13 the director was elected, and until a successor is duly elected and qualified. Each successor director shall serve a six-year term. The directors shall nominate and elect an interim director to complete any unexpired term of a director caused by resignation or disqualification.
- 4. Each director shall be a resident of the district. Directors shall be registered voters at least twenty-one years of age. 18
- 238.518. 1. The board shall possess and exercise all of the district's legislative and 2 executive powers.
- 2. The board shall meet within thirty days after the election of the initial directors. 3 4 The time and place of the first meeting of the board shall be designated by the court that heard the petition upon the court's own initiative or upon the petition of any interested 5 person. At its first meeting and after each election of new board members the board shall 7 elect a chair from its members.
- 8 3. The board shall appoint an executive director, district secretary, treasurer, and such other officers or employees as it deems necessary. 9
  - 4. At the first meeting, the board, by resolution, shall define the first and subsequent fiscal years of the district, and shall adopt a corporate seal.

5. A simple majority of the board shall constitute a quorum. If a quorum exists, a majority of those voting shall have the authority to act in the name of the board, and approve any board resolution.

6. Each director shall devote such time to the duties of the office as the faithful discharge thereof may require and may be reimbursed for actual and necessary expenditures in the performance of duties on behalf of the district.

238.520. 1. Before construction of any project to be merged into the state highways and transportation system, the district shall submit the proposed project, together with the proposed plans and specifications, to the commission for its prior approval of the project. If the commission by minute finds that the project will improve or is a necessary or desirable extension of the state highways and transportation system, the commission may approve the project subject to the district making any revisions in the plans and specifications required by the commission and the district and commission entering into a mutually satisfactory agreement regarding development and future maintenance of the project. After the commission approves the final construction plans and specifications, the district shall obtain prior commission approval of any modification of such plans or specifications.

2. Before construction of any project that is not intended to be merged into the state highways and transportation system under the commission's jurisdiction, the district shall submit the proposed project, together with proposed plans and specifications, to the local transportation authority for its prior approval. The local transportation authority may approve the project subject to the district making any revisions in the plans and specifications required by the local transportation authority and the district and the local transportation authority entering into a mutually satisfactory agreement regarding development and future maintenance of the project. After the local transportation authority approves the final construction plans and specifications, the district shall obtain prior approval of the local transportation authority before modifying such plans or specifications.

238.522. 1. A district may use sales taxes, tolls, or bonds specifically authorized by sections 238.500 to 238.552 to fund a project.

- 2. At any time during the existence of the district the board may submit or resubmit a proposed funding method authorized by sections 238.500 to 238.552 for transportation projects to the qualified voters for approval.
- 3. The district may by contract with the commission agree to send to the commission any revenue received by the district from any funding method authorized by sections 238.500 to 238.552. Such revenue and interest therefrom shall be deposited by the

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commission pursuant to section 227.180, RSMo, and applied by the commission to project 10 costs, including debt service, on revenue bonds, or refunding bonds issued by the commission. 11

- 4. Revenue raised by the regional transportation development district shall provide additional funding for transportation projects and purposes. The commission shall not reduce funding from any source provided to the area covered by the regional transportation development district below the amount received in the fiscal year of the district's organization except when state or federal taxes or fees are reduced, in which case the reduction must not exceed the proportion of the tax or fee reduction. The commission shall increase funding in each fiscal year to the area covered by the regional transportation development district by at least the percent growth in all funding sources. Any and all federal funds designated by federal law, regulation, or appropriation to the area covered by the regional transportation development district must be passed through to the district in full.
- 5. The district may by contract with a local transportation authority agree to send the local transportation authority any revenue received by the district. The local transportation authority shall deposit such revenue in a special local trust account. Such revenue and interest therefrom shall be applied by the local transportation authority to project costs.
- 238.524. 1. Any transportation development district which consists of one or more counties or city not within a county, may by resolution impose a regional transportation development district sales tax on all retail sales made in such regional transportation 4 development district which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, for any transportation development purpose designated by the regional transportation development district in its ballot of submission to its qualified voters. No resolution enacted pursuant to the authority granted by this section shall be effective unless the board of directors of the regional transportation development district submits to the qualified voters of the regional transportation development district, at a municipal or state general, primary, or special election, a proposal to authorize the board of directors of the transportation development district to impose a sales tax or tolls pursuant to this section.
  - 2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the regional transportation development district of ...... (regional transportation development district's name) impose a regional transportation development district-wide sales tax at the rate of (insert amount) for a period of ......(insert number) years from the date on which such tax is first imposed for the purpose funding

18 transportation projects?

 $\square$  YES  $\square$  NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

- If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the board of directors of the regional transportation development district shall have no power to impose the sales tax authorized by this section unless and until the board of directors of the regional transportation development district shall again have submitted another proposal to authorize it to impose the sales tax pursuant to the provisions of this section and such proposal is approved by a majority of the qualified voters voting thereon.
- 3. Within ten days after the adoption of any resolution in favor of the adoption of a regional transportation development district sales tax by the qualified voters of such regional transportation development district, the regional transportation development district shall forward to the director of revenue, by United States registered mail or certified mail, a certified copy of the resolution of its board of directors. The resolution shall reflect the effective date thereof. The sales tax authorized by this section shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of such tax.
- 4. On and after the effective date of any tax imposed pursuant to this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect, in addition to all other sales taxes imposed by law, the additional tax authorized pursuant to this section. The tax imposed pursuant to this section and the taxes imposed pursuant to all other laws of the state of Missouri shall be collected together, and reported upon such forms and pursuant to such administrative rules and regulations as may be prescribed by the director of revenue.
- 5. All revenue received by a regional transportation development district from the tax authorized by this section which has been designated for certain transportation purpose, less one percent to pay for the costs of collection deposited by the department of revenue in the state's general revenue fund, shall be deposited by the district in a special local trust fund and shall be used solely for such designated purpose. Upon the expiration of the period of years approved by the qualified voters pursuant to this section or if the tax

authorized by this section is repealed pursuant to this section, all funds remaining in the special local trust fund shall continue to be used solely for such designated transportation purposes. Any funds in such special local trust fund which are not needed for current expenditures may be invested by the board of directors in accordance with applicable laws relating to the investment of other regional transportation development district funds.

- 6. The sales tax may be imposed at a rate of up to one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the regional transportation development district adopting such tax, if such property and services are subject to taxation by the state of Missouri pursuant to sections 144.010 to 144.525, RSMo, except such regional transportation development district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats, or outboard motors nor to public utilities. Any regional transportation development district sales tax imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.
- 7. The resolution imposing the sales tax pursuant to this section shall impose upon all sellers a tax for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail to the extent and in the manner provided in sections 144.010 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant thereto; except that the rate of the tax shall be the rate imposed by the resolution as the sales tax. The amount reported and returned to the director of revenue by the seller shall be computed on the basis of the combined rate of the tax imposed by sections 144.010 to 144.525, RSMo, and the tax imposed by the resolutions as authorized by this section, plus any amounts imposed pursuant to other provisions of law.
- 8. (1) All applicable provisions contained in sections 144.010 to 144.525, RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, governing local sales taxes, and section 32.057, RSMo, the uniform confidentiality provision, shall apply to the collection of the tax imposed in this section, except as modified in this section.
- (2) All exemptions granted to agencies of government, organizations, persons, and to the sale of certain articles and items of tangible personal property and taxable services pursuant to sections 144.010 to 144.525, RSMo, are hereby made applicable to the imposition and collection of the tax imposed in this section.
- (3) The same sales tax permit, exemption certificate, and retail certificate required by sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax shall satisfy the requirements of this section, and no additional permit or exemption certificate or retail certificate shall be required; except that the regional transportation development district may prescribe a form of exemption certificate for an exemption from the tax imposed by this section.

(4) All discounts allowed the retailer pursuant to the state sales tax laws for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made applicable to any taxes collected pursuant to this section.

- (5) The penalties provided in section 32.057, RSMo, and sections 144.010 to 144.525, RSMo, for violation of those sections are hereby made applicable to violations of this section.
- (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. In the event a retailer has more than one place of business in this state which participates in the sale, the sale shall be deemed to be consummated at the place of business of the retailer where the initial order for the tangible personal property is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit, shipment, or billing. A sale by a retailer's employee shall be deemed to be consummated at the place of business from which the employee works.
- 9. If any regional transportation development district repeals the tax authorized by this section, the regional transportation development district shall notify the director of revenue of the action at least ninety days before the effective date of the repeal and the director of revenue may order retention, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of repeal of the tax authorized by this section in such regional transportation development district, the director of revenue shall remit the balance in the account to the regional transportation development district. The director of revenue shall notify each regional transportation development district of each instance of any amount refunded or any check redeemed from receipts due the regional transportation development district.
- 10. (1) No regional transportation development district imposing a sales tax pursuant to this section may repeal or amend such sales tax unless such repeal or amendment will not impair the district's ability to repay any liabilities which it has incurred, money which it has borrowed, or revenue bonds, notes, or other obligations which it has issued or which have been issued by the commission to finance any project or projects.
  - (2) Whenever the board of directors of any regional transportation development

126 district in which a regional transportation development sales tax has been imposed 127 pursuant to this section receives a petition, signed by ten percent of the qualified voters of such regional transportation development district calling for an election to repeal such 128 129 sales tax, the board of directors shall, if such repeal will not impair the district's ability to 130 repay any liabilities which it has incurred, money which it has borrowed, or revenue 131 bonds, notes, or other obligations which it has issued or which have been issued by the 132 commission to finance any project or projects, submit to the voters of such regional transportation development district a proposal to repeal the sales tax imposed pursuant 134 to this section at the next municipal, state general, primary, or special election. If a 135 majority of the votes cast on the proposal by the qualified voters voting thereon are in 136 favor of the proposal to repeal the sales tax, then the resolution imposing the sales tax, 137 along with any amendments thereto, is repealed. If a majority of the votes cast by the 138 qualified voters voting thereon are opposed to the proposal to repeal the sales tax, then the 139 ordinance or resolution imposing the sales tax, along with any amendments thereto, shall 140 remain in effect.

238.526. 1. If approved by a majority of the qualified voters voting on the question in the district, the district may charge and collect tolls or fees for the use of a transportation project. The board may charge a lower toll rate or fee than that amount approved by the district voters, and may increase that lower toll rate or fee to a level not exceeding the toll or fee rate ceiling without voter approval. Toll rates or fees for the use of the same project may vary at the election of the board, depending upon the type or nature of the user, or the type or nature of the use.

2. The ballot of submission shall be substantially in the following form:

Shall the Regional Transportation Development District be authorized to charge tolls or fees in amounts not to exceed those given below:

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**Maximum Toll or Fee Toll or Fee Description** 

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14 (Insert amount) (Insert a brief description of the toll or fee, distinguishing it from other 15 tolls or fees to be charged on the same project)

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17 (Insert amount) (Describe the next toll or fee charged)

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19 (Etc.) (Etc.) for the purpose of providing revenue to fund a project (or projects) in the 20 district (insert general description of the project or projects, if necessary)?

 $\square$  YES  $\square$  NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

3. To construct a toll facility, a district may relocate an existing state highway or bridge, subject to approval by the commission, or an existing local public bridge, street, or road, subject to approval by the local transportation authority having control and jurisdiction over such street or road. A district shall not incorporate an existing free public bridge, street, road, or highway into a district project that will be subject to tolls.

### **238.528.** A district may:

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- (1) Contract and incur liabilities appropriate to accomplish its purposes;
- (2) Lease or lease-purchase any real or personal property necessary or convenient for its purposes;
- 5 (3) Borrow money for its purposes at such rates of interest as the district may 6 determine; and
  - (4) Issue bonds, notes, and other obligations, and may secure any of such obligations by mortgage, pledge, assignment, or deed of trust of any or all of the property and income of the district, subject to the restrictions provided in sections 238.500 to 238.552. The district shall not mortgage, pledge, or give a deed of trust on any real property or interests which it obtained by eminent domain. The district shall not mortgage, pledge, or give a deed of trust on any real property or interests which it acquired from the state of Missouri or any agency or political subdivision thereof without the written consent of the state, agency, or political subdivision from which it obtained the property.
- 238.530. 1. A district may at any time authorize or issue revenue bonds for the purpose of paying all or any part of the cost of any project. Every issue of such bonds shall be payable out of the revenues of the district and may be further secured by other property of the district which may be pledged, assigned, mortgaged, or a security interest granted 5 for such payment, without preference or priority of the first bonds issued, subject to any agreement with the holders of any other bonds pledging any specified property or revenues. Such bonds shall be authorized by resolution of the district, and if issued by the 8 district, shall bear such date or dates, and shall mature at such time or times, but not in excess of twenty-five years, as the resolution shall specify. Such bonds shall be in such 10 denomination, bear interest at such rate or rates, be in such form, either coupon or 11 registered, be issued as current interest bonds, compound interest bonds, variable rate 12 bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be payable in 13 such place or places and subject to redemption as such resolution may provide notwithstanding section 108.170, RSMo. The bonds may be sold at either public or private

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sale, at such interest rates, and at such price or prices as the district shall determine. 15

- 2. Any issue of district bonds outstanding may be refunded at any time by the district by issuing its refunding bonds in such amount as the district may deem necessary. Such bonds may not exceed the amount sufficient to refund the principal of the bonds so to be refunded together with any unpaid interest thereon and any premiums, commissions, service fees, and other expenses necessary to be paid in connection with the refunding. Any such refunding may be effected whether the bonds to be refunded then shall have matured or thereafter shall mature, either by sale of the refunding bonds and the application of the proceeds thereof to the payment of the bonds being refunded or by the exchange of the refunding bonds for the bonds being refunded with the consent of the holder or holders of the bonds being refunded. Refunding bonds may be issued regardless of whether the bonds being refunded were issued in connection with the same project or a separate project and regardless of whether the bonds proposed to be refunded shall be payable on the same date or different dates or shall be due serially or otherwise.
- 3. If the proposed project is intended to be merged into the state highways and transportation system for future maintenance under the commission's jurisdiction, the district may contract with the commission to assist it in issuing district revenue bonds and refunding bonds. The district may also contract with the commission to issue commission revenue bonds and refunding bonds and to loan the proceeds thereof to the district. Such bonds shall be authorized by commission minute and shall be issued subject to conditions applicable to bonds issued by the district but as determined by the commission rather than the district.
- 4. Bonds issued pursuant to this section shall exclusively be the responsibility of the district payable solely out of district funds and property provided in sections 238.500 to 238.552 and shall not constitute a debt or liability of the state of Missouri or any agency or political subdivision of the state. Neither the district nor the commission shall be obligated to pay such bonds with any funds other than those specifically pledged to repayment of the bonds. Any bonds issued by a district or the commission shall state on their face that they are not obligations of the state of Missouri or any agency or political subdivision thereof other than the district.
- 5. Bonds issued pursuant to this section, the interest thereon, or any proceeds from such bonds shall be exempt from taxation in the state of Missouri for all purposes except the state estate tax.

238.532. The district may:

Purchase land or receive contributions of land and cash for project 3 right-of-way;

- 4 (2) Limit and control access from adjacent property to a district project; and
- 5 (3) Sell and convey excess right-of-way for fair market value to any person or 6 entity.
- 238.534. 1. The district may condemn lands for a project in the name of the state of Missouri as to the necessity for the taking of the description of the parcel and the interest taken in that parcel.
- 2. If condemnation becomes necessary the district shall act pursuant to chapter 523,
  RSMo, and may condemn a fee simple or other interest in land.
  - 3. The district may, after prior notice to the owner to enter upon private property, survey and determine the most advantageous route and design. The district shall be liable for all damages done to the property by such inspection.
  - 4. Any person who involuntarily transfers any interest in land to a district which becomes insolvent and comes under the jurisdiction of a court may reacquire that property by paying to the district the total amount of the condemnation award for that parcel, plus statutory interest at the statutory rate from the date of taking on the amount of that award, if the project will not be completed by either the district, the commission, or a local transportation authority.
  - 5. Whenever a district undertakes any project which results in the acquisition of real property or in any person or persons being displaced from their homes, businesses, or farms, the district shall provide relocation assistance and make relocation payments to such displaced person and do such other acts and follow such procedures as would be necessary to comply with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

### 238.536. The district may contract with:

- (1) A federal agency, a state or its agencies and political subdivisions, the commission, a local transportation authority, a corporation, partnership, or individual regarding funding, promotion, planning, designing, constructing, improving, maintaining, or operating a project or to assist in such activity; and
- (2) The commission to transfer the project to the commission free of cost or encumbrance on such terms set forth by contract. The commission is authorized to adopt reasonable administrative rules relating to regional transportation development districts under chapter 536, RSMo;
- (3) The local transportation authority to transfer the project to the local transportation authority free of cost or encumbrance on such terms set forth by contract.
- 238.538. In addition to all other powers granted by sections 238.500 to 238.552, the district shall have the following general powers:

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3 (1) To sue and be sued in its own name, and to receive service of process, which 4 shall be served upon the district secretary;

- (2) To fix compensation of its employees and contractors. All contracts in excess of ten thousand dollars between the district and any private person, firm, or corporation shall be competitively bid and shall be awarded to the lowest and best bidder;
- (3) To purchase any personal property necessary or convenient for its activities. All outright purchases of personal property in excess of ten thousand dollars between the district and any private person, firm, or corporation shall be competitively bid and shall be awarded to the lowest and best bidder;
  - (4) To collect and disburse funds for its activities; and
- (5) To exercise such other implied powers necessary or convenient for the district to accomplish its purposes which are not inconsistent with its express powers.
- 238.540. 1. The district may obtain such insurance as it deems appropriate, considering its legal limits of liability, to protect itself, its officers, and its employees from any potential liability, and may also obtain such other types of insurance as it deems necessary to protect against loss of its real or personal property of any kind. The cost of this insurance shall be charged against the project.
- The district may also require contractors performing construction or maintenance work on the project to obtain liability insurance having the district, its directors, and its employees as additional named insureds.
- 3. The district shall not attempt to self-insure for its potential liabilities unless it finds that it has sufficient funds available to cover any anticipated judgments or 10 settlements and still complete its project without interruption. The district may self-insure 12 if it is unable to obtain liability insurance coverage at a rate which is economically feasible to the district, considering its resources.
- 238.542. The district may contract with the commission and local transportation authorities to obtain assistance in project funding, promotion, planning, design, right-of-way acquisition, relocation assistance services, construction, preservation, 4 maintenance, and operation. The commission or any local transportation authority may charge the district a reasonable fee, not exceeding the actual cost of providing the service. 5 The commission is authorized to adopt reasonable administrative rules relating to regional transportation development districts pursuant to chapter 536, RSMo. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.
- 238.544. The state of Missouri, upon approval by an appropriate act of the general assembly, the commission, or a local transportation authority holding title to real estate,

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may give, grant, and convey to or for the use of a district such right-of-way or other easement in such real estate as may be necessary for the development of a project.

- 238.546. 1. For the purpose of law enforcement, all district projects to be transferred to the commission shall be treated as commission highways under chapter 43, RSMo, and all projects to be transferred to a local transportation authority shall be treated as streets or roads of that entity.
- 2. All laws of this state relating to maintaining, signing, damaging, and obstructing roads shall apply to district projects. The duties and powers imposed by such laws on certain officials shall devolve upon the district's engineer or other employee designated by the board. Nothing in this subsection shall be deemed to interfere with, restrict, or limit the authority of the commission to govern and control highway marking, signalization, and signing to the extent the commission is authorized by law.
- 3. For outdoor advertising and junkyard control purposes, a district project may be designated by the commission as a part of the state primary highway system and by a local transportation authority as a part of its street or road system.
- 238.548. Unless otherwise approved by contract of the district, project improvements shall not be under the control and jurisdiction of a local transportation authority while the district retains control and jurisdiction over the project. The provisions of chapter 228, RSMo, are inapplicable to transportation development districts.
- 238.550. The state auditor shall audit each district not less than once every three years, and may audit more frequently if the state auditor deems appropriate. The state auditor shall also audit each district before it is abolished. The costs of these audits shall be paid by the district.
- 238.552. 1. At such time as a district has completed its projects and has transferred ownership of the projects to the commission or other local transportation authority for maintenance, or at such time as the board determines that it is unable to complete its projects due to lack of funding or for any other reason, the board shall submit for a vote in an election held throughout the district the question of whether the district should be abolished. The question shall be submitted in substantially the following form:

Shall the ....... Regional Transportation Development District be abolished?

2. The district board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against the district, while the 10 district liabilities exceed its assets, or while the district is insolvent, in receivership or under the jurisdiction of the bankruptcy court. Before submitting the question to abolish the district to a vote, the state auditor shall audit the district to determine the financial status of the district, and whether the district may be abolished pursuant to law.

3. While the district still exists, it shall continue to accrue all revenues to which it is entitled at law.

- 4. Upon receipt of certification by the appropriate election authorities that the majority of those voting within the district have voted to abolish the district, and if the state auditor has determined that the district's financial condition is such that it may be abolished pursuant to law, then the board shall:
- (1) Sell any remaining district real or personal property, and then transfer the proceeds and any other real or personal property owned by the district, including revenues due and owing the district, to the commission or any appropriate local transportation authority assuming maintenance and control of the project, for its further use and disposition;
- **(2)** Terminate the employment of any remaining district employees, and otherwise conclude its affairs;
  - (3) At a public meeting of the district, declare by a majority vote that the district has been abolished effective that date; and
  - (4) Cause copies of that resolution under seal to be filed with the secretary of state, the director of revenue, the commission, and with each local transportation authority affected by the district. Upon the completion of the final act specified in this subsection, the legal existence of the district shall cease.